COMMITTEE LANGUAGE FOR FISCAL YEAR 2000

F/A-18E/F (FIGHTER) HORNET
ACCOUNT: APN

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
(36)2,801,108	(36)2,801,108	(36)2,801,108	(36)2,801,108	(36)2,801,108	(36)2,791,108	(36)2,801,108

F/A-18E/F (FIGHTER) HORNET ADVANCE PROCUREMENT (CY)
ACCOUNT: APN

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
162,240	162,240	162,240	162,240	162,240	176,240	162,240

F-18 SERIES
ACCOUNT: APN

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
308,789	371,789	439,189	319,789	281,789	300,589	311,789

F/A-18 SQUADRONS
ACCOUNT: RDT&E

PRESBUD	HASC	SASC	CASC	HAC	SAC	CAC
315,714	318,214	315,714	318,214	373,214	320,714	322,714

HASC LANGUAGE (Rpt. 106-162)

Pages 64 and 65, Aircraft Procurement, Navy

003	F/A-18C/D (FIGHTER) HORNET	-	-			-	-
004	F/A-18E/F (FIGHTER) HORNET	36	2,801,108			36	2,801,108
004	LESS: ADVANCE PROCUREMENT (PY)		(109,119)			-	(109,119)
005	ADVANCE PROCUREMENT (CY)	-	162,240			-	162,240
006	V-22 (MEDIUM LIFT)	10	850,254	1	60,000	11	910,254
006	LESS: ADVANCE PROCUREMENT (PY)		(53,862)			-	(53,862)
027	F-18 SERIES	-	308,789		63,000	-	371,789

Page 185, RDT&E, Navy

0204136N	154	F/A-18 SQUADRONS	315,714	2,500	318,214
		LAU 138A/A BOL Chaff Countermeasure			[+2,500]
0204152N	155	E-2 SQUADRONS	16,132	15,000	31,132

DIVISION A~~D~~DEPARTMENT OF DEFENSE
AUTHORIZATION
TITLE I~~P~~PROCUREMENT

OVERVIEW

The President's $53.0 billion procurement budget request for fiscal year 2000 represents a decrease of $1.1 billion below the amount forecast in fiscal year 1999, $9.3 billion below the amount first forecast in fiscal year 1996, and continues the Department of Defense's delay in achieving the Joint Chiefs of Staff goal of a $60.0 billion procurement budget by three years (from fiscal year 1998 to fiscal year 2001). Even before the initiation of Operation Allied Force the service chiefs of staff were lamenting a budget that leaves them far short of attaining their modernization requirements, despite Congress' having added over $15.0 billion to the procurement accounts in the past four years. The ongoing campaign in the Balkans has only exacerbated this situation. For example, the Army Chief of Staff testified to the committee that ''modernization is still underfunded. What I don't think will be fixed out of this [referring to the funding he expects to receive in fiscal year 2000] will be the modernization. We'll have to defer that . . . recapitalize the fleets of naval ships and aircraft, the Chief of Naval Operations noted, ''We continue to compensate [for readiness and personnel needs] by shifting resources from modernization and recapitalization accounts to operations and support accounts.'' Even more critical of the current predicament, he was the Commandant of the
Marine Corps, who testified that, ''As I've said for years [our problem] is long-term procurement. I have got very great concerns about the cancer of modernization that I must address.'' And the Air Force Chief of Staff declared that ''if we don't modernize by replacing aircraft that are beyond their useful life and revitalize those with life left in them, we can expect significant additional maintenance requirements, reduced reliability, and increased costs as these aircraft deteriorate.''

In order to bring the modernization problem into focus, the committee held a hearing on the Department's fleet of aging equipment. The Department clearly acknowledged that reduced modernization budgets, combined with increased deployments, have taken their toll. Its inventory of weapons is not only aging chronologically but also technologically, as older and overworked weapons systems continue to drain resources because of more frequent and more expensive maintenance. Equipment expected to leave the inventory years ago is still operational and, in some cases, approaching nearly double expected service lives. Yet, despite this situation, the procurement budget continues to receive low priority.

Although much has been touted by the Department concerning a major increase in its budget in the next six fiscal years, the procurement accounts are not the beneficiaries of any largesse. As noted above, the fiscal year 2000 procurement request actually declines from the amount forecast only one year ago. The cumulative addition to these accounts over the next four years is projected to be only $4.1 billion-hardly a significant part of a proposed six-year $84.0 billion overall increase.

Unfortunately, unless a sustained increase in procurement funding is forthcoming, the aging equipment situation will only get worse, as the impact of Operation Allied Force is felt. With the United States shouldering the largest share of the burden in the North Atlantic Treaty Organization's air campaign against Yugoslavia, inventories of key precision weapons are being depleted at much faster rates than ever anticipated; units deployed for combat are stripping vital supplies from U.S.-based units, contributing to a dramatic drop in their readiness ratings; and cannibalization rates are climbing rapidly within deployed units because of spare parts shortages. Even with the substantial amount of additional
funding provided by the Congress in fiscal year 1999 supplemental appropriations, the process of ''getting well'' from this ongoing operation will be slow and likely require substantial additional funding in the future.

Against this backdrop, the committee successfully argued for an increase to the funds allocated for national defense in the fiscal year 2000 budget resolution and has applied much of this additional money to procurement. This marks the fifth consecutive year the committee has added funds to modernize the Department's weaponry, including:

Army:
UH–60L helicopters 27.0
CH–47F upgrades 56.0
AH–64D upgrades 45.0
MLRS rocket launchers 56.0
Bradley fighting vehicles upgrades 72.0
M113A3 carrier mods 25.0
Small arms 48.0
Ammunition 55.0
Night vision devices 33.0
Shortstop 40.0
Communications equipment 92.0
Combat support equipment 63.0
Construction equipment 33.0
Navy/Marine Corps:
KC–130J 252.0

MV–22 ..... 60.0
CH–60S 38.0
UC–35 ..... 18.0
E/A–6B upgrades. 45.0
F/A–18 series modifications 63.0
P–3 series modifications 75.0
Tomahawk missiles 300.0
Joint stand-off weapon 75.0
Hellfire missiles 52.0
Joint direct attack munition. 48.0
Maritime prepositioning ship-advance procurement 80.0
Base telecommunications upgrades 50.0
Improve & recovery vehicle 49.0
AH–1/UH–1 upgrades 27.0
Ammunition 75.0
Air Force:
E–8C-advance procurement 46.0
B–2 upgrades 187.0
F–15 upgrades 50.0
F–16 upgrades 47.0
C–135 upgrades 68.0
Defense airborne reconnaissance program 40.0
Joint stand-off weapon 35.0
Minuteman III upgrades 40.0
AGM–65D Maverick upgrades 10.0
Joint direct attack munition 66.0
Ammunition 75.0
Theater deployable communications 35.0
Defense-Wide:
National guard/reserve miscellaneous equipment 60.0

Pages 69 and 70, Aircraft Procurement Navy – Items of Special Interest

The budget request contained $308.8 million for F–18 series modifications, of which $35.1 million was included for engineering change proposal (ECP)–583 kits to modify four Marine Corps F/A–18A aircraft. The ECP–583 modification kit upgrades the avionics and weapons capability of the F/A–18A to the same capability as the newer F/A–18C. Without this capability, the F/A–18A cannot autonomously deliver precision-guided munitions or employ the AIM–120 Advanced Medium Range Air-to-Air Missile. Despite the fact that the Marine Corps has a requirement to upgrade 76 of its F/A–18As with this modification, the Department only budgeted to upgrade 24 aircraft in its Future Years Defense Program. Since the Commandant of the Marine Corps identified ECP–583 among his highest unfunded priorities for fiscal year 2000, the committee recommends an increase of $63.0 million to procure 14 additional upgrade kits: 7 for the active and 7 for the reserve components. *F/A–18E/F* The budget request contained $2,692.0 million for 36 F/A–18E/F aircraft, and $162.2 million for advance procurement of 42 aircraft in fiscal year 2001. The committee notes that the 36 aircraft re-quested would begin a five-year, 222 aircraft multiyear procurement through fiscal year 2004 which is projected to cost 7.4 percent less than annual procurement of these aircraft. During the past two years, the committee has expressed its concerns with the F/A–18E/F program due to its higher cost for a relatively small capability increase when compared to the existing F/ A–18C/D aircraft. As a result of prior year testimony by the Department's Director of Operational Test and Evaluation, the committee has also expressed concern that the final production configuration may not be determined until the completion of the aircraft's operational evaluation in October 1999 and that deficiencies in survivablility and radar jamming systems may not be corrected until after full-rate production begins. However, the committee sup-ports the Navy's requirement to replace its aging fighter attack air-craft fleet and believes that the Department's proposed multiyear procurement should proceed if the aircraft demonstrates that it meets key performance parameters and requirements for effectiveness and suitability upon completion of the operational evaluation and can be procured at the Department's projected 7.4 percent multiyear contract cost savings. Consequently, the committee recommends a

provision (Section 121) that would limit the Secretary of the Navy's authority to enter into the multiyear contract until the Secretary of Defense certifies that the results of the aircraft's operational test and evaluation meet both key performance parameters and requirements for operational effectiveness and suitability and that the multiyear procurement contract cost is at least 7.4 percent less than procurement of the same number of aircraft would be through annually funded contracts. Since the committee understands that the five-year multiyear contract award date is scheduled for April 2000, it believes that the Department will be afforded ample time to review and assess the results of the F/A–18E/F's operational evaluation prior to the Secretary's certification to the congressional defense committees.

Page 150 – Legislative Provisions

SUBTITLE C—NAVY PROGRAMS

Section 121—F/A–18E/F Super Hornet Aircraft Program This section would authorize the Secretary of the Navy to enter into a multiyear procurement contract for the F/A–18E/F aircraft subject to the Secretary of Defense's certification that the results of the aircraft's operational test and evaluation meet both key performance parameters and requirements for operational effectiveness and suitability and that the multiyear procurement contract cost is at least 7.4 percent less than procurement of the same number of aircraft through annually funded contracts. Additionally, this section would require the Secretary of Defense to submit a report on the composition of multiyear procurements in the procurement portion of the Future Years Defense Program prior to the execution of a multiyear contract for the F/A–18E/F.

Pages 196 and 197, RDT&E, Navy – Items of Special Interest

F/A–18C/D BOL chaff countermeasure

The budget request contained $315.7 million in PE 24136N for F/A–18 aircraft operational systems development, including $169.1 million for the development of improvements to fielded F/A–18 air craft. No funds were requested to continue the certification of BOL chaff countermeasures for the F/A–18C/D. The committee notes that the LAU–138A/A Guided Missile Launcher Set and its associated chaff countermeasures (RR184 and RR189), commonly referred to as BOL chaff, have been qualified and deployed on the F–14 aircraft. The launcher significantly increases aircrew/aircraft survivability and mission effectiveness by dispensing increased quantities of countermeasures against radar homing and infra-red missiles that are dispensed from the rear of the aircraft launcher rail without displacing other aircraft weapons from the launcher rail. The committee further notes that Phase I integration testing of the LAU138A/A on the F/A–18C/D aircraft will be completed in fiscal year 1999. However, the committee un-derstands that funding for completion of Phase 2 of the F/A–18C/D qualification program, which would lead to a production decision is insufficiently funded. The committee recommends $318.2 million in PE 24136N, an in-crease of $2.5 million to complete Phase 2 testing and qualification of the LAU 138A/A BOL chaff countermeasure on the F/A–18C/D strike fighter.

Page 205, RDT&E, Navy – Items of Special Interest

Navy aviation survivability

The budget request contained $7.3 million in PE 63216N for aviation survivability. The committee understands that the Department of Defense has conducted an extremely successful Foreign Comparative Test (FCT) of the K–36D Russian ejector seat and that this seat demonstrated crew survivable ejection capability which surpassed that of current U.S. ejection seats. The committee notes that the Air Force has continued evaluation of the K–36D and has developed a new version, the K–36/3.5A in order to meet U.S. requirements and yet provide

equivalent capabilities in a lighter weight version. While the Air Force is actively pursuing enhanced crew safety capability offered by the K–36/3.5A, the committee is concerned that the Navy has not seriously considered this opportunity to afford Navy and Marine Corps aviators the same increased safe ejection capability. The Navy has proposed to enter into a multi-year procurement F/A–18 E/F Super Hornet aircraft that do not offer the same level of crew safety as the K–36/3.5A. Additionally, the Marine Corps is engaged in re-manufacture of its fleet of AV–8B Harrier jets to correct serious safety and sustainability problems. The committee believes that both of these Navy aircraft rep-resent the backbone of Navy aviation force projection capability and should be required to seriously evaluate the enhanced crew safety offered by the K–36/3.5A ejection seat. The committee recommends that the Secretary of the Navy provide a report to the Congressional defense committees with the submission of the fiscal year 2001 budget request including the details of that evaluation.

Page 236 - RDT&E, Air Force – Items of Special Interest

Joint air-to-surface standoff missile

The budget request contained $166.4 million in PE 27325F and $2.0 million in PE 64312N for continued development of the joint air-to-surface standoff missile (JASSM). The committee understands that the JASSM program plan reflects funding for integration of the missile only on the ‘‘threshold’’ aircraft (B–52H and F–16) through the end of the Future Years Defense Program (FYDP) and that neither the Air Force nor the Navy has programmed funding for integration of JASSM on the ‘‘objective’’ aircraft (B–2, B–1B, F–16, F–15E, F–117, and F/A–18E/F). Initial operational capability for JASSM is scheduled for fiscal year 2003. In view of the services’ recent operational experience that has placed a priority on the use of precision-guided weapons systems, the committee believes that additional priority should be given to integrating JASSM on the objective aircraft. The committee directs the Secretary of the Air Force and the Secretary of the Navy to report jointly to the Congressional defense committees with the submission of the fiscal year 2001 budget re-quest regarding the plan and program for the integration of JASSM on the objective aircraft systems of each service.

Page 514 – Fiscal Data

The following sections describe the estimated authorizations shown in Table 3 and provide information about CBO’s cost estimates. Multiyear Procurement Programs. In most cases, purchases of weapon systems are authorized annually, and as a result DoD negotiates a separate contract for each annual purchase. In a small number of cases, the law permits multiyear procurement; that is, it allows DoD to enter into a contract to buy specified annual quantities of a system for up to five years. In those cases DoD can negotiate lower prices because its commitment to purchase the weapons gives the contractor an incentive to find more economical ways to manufacture the weapon, including cost-saving investments. Funding would continue to be provided on an annual basis for these multiyear contracts, but termination costs would be covered by an initial appropriation. H.R. 1401 would authorize DoD to enter into multiyear contracts for six weapon systems: Javelin missiles, Bradley fighting vehicles, Apache Longbow attack helicopters, upgrades to the Abrams main battle tank, Wolverine heavy assault bridges, and F/A–18 E/F air-craft. The Javelin missile and Bradley fighting vehicle contracts would cover four years of production while contracts for the F/A– 18E/F, Apache Longbow helicopters, Abrams tank upgrades, and Wolverine bridges would cover five years. CBO estimates savings from buying the five Army systems with multiyear contracts would total $870 million, an average of $174 million a year, over the 2000–2004 period. Funding requirements through 2004 would total $7.2 billion instead of the $8.0 billion needed under annual contracts. Multiyear procurement of the Javelin would raise costs in 2000 because that system did not receive advance procurement funding in 1999 in anticipation of multiyear procurement starting in 2000. Similarly, CBO estimates that the Navy would save $706 million, or about $140 million a year, through 2004 under a multiyear contract for the F/A–18E/F, which under current law would cost about $15.8 billion over that period. Those estimates are based on the assumption that annual production will be at the levels planned by the Administration for each of the six programs.

TABLE 3.—ESTIMATED AUTHORIZATIONS OF APPROPRIATIONS FOR SELECTED PROVISIONS IN H.R. 1401 AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON ARMED SERVICES

[By fiscal year, in millions of dollars]

Category	2000	2001	2002	2003	2004
Multiyear Procurement:					
Javelin Missile System	33	´106	´73	´84	´9
Bradley Fighting Vehicle		´1	´31	´36	´33 0
Apache Longbow Helicopters		´2	´77	´97	´112 ´96
Tank Upgrades	0	´29	´29	´30	´19
Wolverine Bridge	0	´7	´8	´9	´16
F/A–18 E/F Aircraft	148	´163	´166	´124	´106
Military Endstrengths:					
Department of Defense		´511	´531	´551	´570 ´589
Coast Guard Reserve	74	0	0	0	0
Grade Structure	1	1	1	1	1
Compensation and Benefits (DoD):					
Military Pay Raise in 2000	204	278	287	297	306
Pay Table Reform	195	809	838	864	893
Enlistment/Reenlistment Bonuses (active)	266	182	91	59	35

[By fiscal year, in millions of dollars]

Category	2000	2001	2002	2003	2004
Aviation and Nuclear Special Pay	40	43	33	25	20
Various Bonuses (Reserve)	45	52	37	26	18
Special Pay for Nurses	7	3	0	0	0
Increases in Special Pays	34	55	50	45	43
New Special Pays	52	53	54	55	55
Travel and Transportation Allowances	21	21	22	22	22
Reserve Components	5	5	6	6	6
Military Academies and Education Benefits	15	15	15	15	15
Other Military Benefits	22	22	22	22	22
Military Retirement:					
Changes to REDUX System	443	596	1,136	1,137	1,187
Payments to Disabled Retirees	45	45	45	45	46
Other Provisions:					
Acquisition Workforce		´28	´492	´1,047	´1,146 ´1,184
Agency Retirement Contributions	2	3	3	4	4
DOE Separation Incentives	0	0	6	0	0
Domiciliary and Custodial Care	7	7	7	7	7
Bill Total:					
Estimated Authorizations	821	754	646	523	663

Notes.—For every item in this table except one, the 2000 impacts are included in the amounts specifically authorized to be appropriated in the bill. Those amounts are shown in Table 2. Only the authorization of endstrength for the Coast Guard Reserve is additive to the amounts in Table 2.

Page 695 - Additional Views

(695)

ADDITIONAL VIEWS OF JAMES M. TALENT

THE NAVY'S F/A–18E/F SUPER HORNET

The House Armed Services Committee has reviewed the F/A– 18E/F Super Hornet program in some considerable level of detail as it has progressed through each phase of Engineering and Manufacturing Development (EMD). In each of the previous three conference reports the Committee has fully supported Navy's requests for low-rate initial production of 12, 20 and 30 aircraft, respectively. In their Fiscal Year 2000 budget submission, the Navy re-quested 36 E/Fs and authorization for a five-year, multi-year procurement. The Navy's request makes good sense across the board. First, with literally 99 percent of an exhaustive developmental test pro-gram completed as of mid May, ''We know,'' as one test pilot observed in the OT–IIA (operational test) debrief, ''more accurate in-formation about how the F/A–18E/F performs in two years than we know about most other aircraft after 20 years of service.'' Clearly, by any objective measure, flight testing have been intensive—and very successful. More importantly, regarding the E/F's operational capabilities, Secretary Danzig and the CNO wrote in a recent letter that the Super Hornet ''is the aircraft the Navy wants and needs because it gives

our warfighters the capability, when compared with current aircraft, to strike twice the number of targets in half the time, while substantially reducing expected losses.'' And in recent testimony before the Committee, Rear Admiral Nathman, Director, Air Warfare, was unequivocal in his support for the aircraft and for multi-year procurement. In terms of the fleet—where it matters most—these statements, and the facts that back them up, effectively say all that need be said. Finally, the Super Hornet EMD program is one of only a very few such programs in recent memory to remain below its congressionally mandated cost caps while at the same time meeting schedule, weight and the performance requirements of the service. The Committee's decision to approve the Navy's Fiscal Year 2000 procurement of 36 aircraft continues a very feasible ramp-up in production. Its further authorization of multi-year procurement pending successful completion of OpEval and achievement of mile-stone III/recommendation for full-rate production, and the Secretary's assurance of identified savings through multi-year procurement, ensures good value to the American taxpayer and makes for sound defense policy.

JAMES M. TALENT.

SASC LANGUAGE (Rpt. 106-50)

Page 61 and 62, Aircraft Procurement, Navy

3	F/A-18C/D (FIGHTER) HORNET	-	-	-	-	-	-
4	F/A-18E/F (FIGHTER) HORNET	36	2,801,108	-	-	36	2,801,108
	LESS: ADVANCE PROCUREMENT (PY)		(109,119)	-	-	-	(109,119)
5	ADVANCE PROCUREMENT (CY)	-	162,240	-	-	-	162,240
27	F-18 SERIES	-	308,789	-	130,400	-	439,189

Page 178, RDT&E, Navy

0204136N	154	F/A-18 SQUADRONS	315,714	-	315,714

Pages 8 –9; Committee Overview and Recommendations

Airland

In its review of the fiscal year 2000 budget request, the committee emphasized the need for funding that secures near-term core requirements, and investments that achieve savings and support future modernization. The committee primarily focused on a review of service modernization programs—for both near- and long-term requirements—and the degree to which these programs address the most likely threats that will face the nation in the 21st Century. The subcommittee has concluded that the current DOD modernization plan falls short of what is necessary to adequately equip the armed forces. As a result, the committee recommends increased funding to address the modernization shortfalls identified by the military services. In testimony before the Airland Subcommittee, experts expressed concern about the declining state of tactical aviation. Although the Nation's fleet of tactical aircraft remain the best in the world, re-capitalization efforts have not kept pace with requirements. The committee is concerned about the rising costs associated with new tactical aviation programs and the impact that the high costs for these fighters will have on the ability of the services to replace existing aircraft and meet operational requirements. The committee supports the continued development of the F–22, F/A–18E/F, and the Joint Strike Fighter, however, cost growth issues associated with the F–22 and Joint Strike Fighter must be closely monitored. The committee remains concerned about proposals to restrict or eliminate certain aircraft development activities, such as testing, in order to meet cost limitations. The committee believes that testing is planned and executed to ensure the safety and operational suitability of these aircraft and will not support any compromise in this area. The state of the Nation's premier ground force is also a concern to the committee. The Army is in the process of digitizing a heavy Corps, which will field an enhanced situational awareness capability and provide soldiers with a significant advantage over any adversary. The need to

The budget request included $50.6 million for common electronic countermeasure (ECM) modifications, with no funds allocated for the procurement of AN/ALQ–165 defensive electronic counter-measure (DECM) systems or spares. The AN/ALQ–165 is the primary DECM for the F–14D aircraft, and is deployed on some F/A– 18C/D aircraft on a contingency basis. The committee strongly sup-ports the continued development of the follow-on system under development, the integrated defensive electronic countermeasure (IDECM) system. However, the Navy has informed the committee that there have been some technical delays in the

fielding of this system. The committee understands that there is an insufficient number of replaceable assemblies in the AN/ALQ–165 logistics pipeline to support currently deployed systems. The current operations tempo has put a great strain on these limited assets. There-fore, the committee recommends an increase of $16.0 million to purchase AN/ALQ–165 spares, a total authorization of $66.6 million.

Page 294; Other Items of Interest

Weapons Training Facility Vieques, Puerto Rico

The committee is concerned about the accident on April 19, 1999, at the Atlantic Fleet Weapons Training Facility on the Island of Vieques, Puerto Rico, that took the life of Mr. David Sanes Rodriguez. After the time of his death, Mr. Rodriguez was a Navy contract employee who was working outside the observation post at the training range when a United States Marine Corps F/A–18 aircraft dropped a bomb. The committee is pleased to learn that the Secretary of the Navy and the Commander-in-Chief, U.S. Atlantic Fleet are investigating the cause of the accident and studying ways to improve the safety and operating procedures on the training range. The committee recognizes the importance of the Atlantic Fleet Weapons Training Facility to the national security of the United States, particularly in light of the commitments that the United States Navy and the United States Marine Corps are undertaking throughout the world. The committee understands that the training range on Vieques provides our Naval forces with vital preparation for the challenges posed by combat in the regional conflicts throughout the world today and in the foreseeable future. The committee also understands that a thorough investigation is in progress to determine the cause of the accident. The committee believes that a formal assessment of the current and projected training practices in the Live Impact Area and Eastern Maneuvering Area of the Vieques Weapons Range is required. The committee recognizes that the Secretary of the Navy is undertaking such a review to include range operation and safety procedures, necessary equipment in support of safe range operations, quantities and type (live and inert) of ordnance expended, and limitations on Navy ranges that may affect the continued requirement for use of Vieques. In defining the review, the committee urges the Secretary of the Navy to solicit government officials of Puerto Rico, including the governor, to identify areas of concern. The committee understands that the Department is currently planning to conduct training exercises, including the use of explosive ordinance, before completion of the investigation. The committee urges the Department to review the planned training during this period in light of the current level of concern and make such adjustments as it deter-mines necessary to ensure that relations with the local community are not irreparably harmed. The committee directs the Secretary of the Navy to provide the Committee on Armed Services of the Senate with a report on the conclusions of the investigation and range review, not later than August 30, 1999.

Page 480 and 481; Additional Views Of Senator John McCain on the National Defense Authorization Bill For Fiscal Year 2000

The Armed Services Committee has voted out unanimously a bill worthy of the Senate's support. Building upon recommendations and discoveries regarding growing readiness and modernization problems throughout the services, the Committee has done an admirable job of addressing many of the more pressing issues contributing to the myriad of problems that have been brought to its attention over the past year. The President's budget request failed again to provide adequate funding to meet the minimum requirements of the Joint Chiefs of Staff to fund critical readiness, personnel and modernization pro-grams. Particularly disturbing is the degree to which the budget re-quest ignored clear and convincing evidence that there are serious readiness, retention and recruiting problems throughout the military. The Service Chiefs testified before the Armed Services Committee in September last year, and again in January, that they re-quire an additional $20 billion in fiscal year 2000 above the amount included in the current year's budget to reverse negative trends in force readiness. During posture hearings, the Service Secretaries and Chiefs confirmed that readiness unfunded requirements still exist and submitted lists to meet their readiness requirements. The defense budget had been in steady decline in real terms since 1986. While that decline has finally subsided, the pace at which forces are operating, combined with a still seriously con-strained resource environment, has served to exacerbate the negative impact of that decade of inadequate attention to national defense. Moreover, the Administration's promise of a $12.6 billion in-crease in the FY2000 budget represents considerably less of an in-crease than meets the eye. In fact, only $4.1 billion of that increase represents credible budget authority. The remaining $8.5 billion of the so-called increase comes from ''smoke and mirrors'' gimmickry like anticipated lower inflation and fuel costs, cuts in previously funded programs, and an incremental funding plan for military construction projects. The nuclear carrier USS ENTERPRISE (CVN–65) was recently deployed in the Persian Gulf, undermanned by some 800 sailors. We are losing pilots to the commercial airlines faster than we can train them. The Navy has one-half the F/A–18 pilots, one-third of the S–3 pilots, and only one-quarter of the EA–6B pilots it needs. Only 26 percent of the Air Force pilots have committed to stay beyond their current service agreement. The Army states that five of its 10 divisions lack enough majors, captains, senior enlisted personnel, tankers and gunners. Over 60 percent of Naval Special Warfare officers are leaving the service. It is imperative that the President work diligently to address these problems and begin to fund the military at a level commensurate with ever-increasing operational requirements.

CASC LANGUAGE (Rpt. 106-301)

Page 523, Aircraft Procurement, Navy

3	F/A-18C/D (FIGHTER) HORNET	-	-	-	-	-	-	-	-	-	-
4	F/A-18E/F (FIGHTER) HORNET	36	2,801,108	36	2,801,108	36	2,801,108	-	-	36	2,801,108
	LESS: ADVANCE PROCUREMENT (PY)		(109,119)	-	(109,119)	-	(109,119)	-	-	-	(109,119)
5	ADVANCE PROCUREMENT (CY)	-	162,240	-	162,240	-	162,240	-	-	-	162,240
6	V-22 (MEDIUM LIFT)	10	850,354	11	910,254	12	973,254	2	123,600	12	973,254

Page 524, Aircraft Procurement, Navy

26	[illegible] SERIES	-	-	-	-	-	-	-	-	-	-
27	F-18 SERIES	-	308,789	-	371,789	-	439,189	-	11,000	-	319,789
28	31-46 SERIES	-	17,888	-	17,888	-	17,888	-	-	-	17,888

Page 622, RDT&E, Navy

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
0204136N	154	F/A-18 SQUADRONS	315,714	318,214	315,714	-	318,214
		LAU 138A/A BOL Chaff Countermeasures		[2,500]		2,500	
0204152N	155	E-2 SQUADRONS	16,132	31,132	16,132	-	31,132

Pages 23 and 24, Subtitle C – Navy Programs

SEC. 121. F/A–18E/F SUPER HORNET AIRCRAFT PROGRAM.

(a) MULTIYEAR PROCUREMENT AUTHORITY.~~S~~ubject to sub-section
(b), the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract beginning with the fiscal year 2000 program year for procurement of F/A~~1~~8E/F aircraft.
(b) LIMITATION.~~T~~he Secretary of the Navy may not enter into a multiyear procurement contract authorized by subsection (a), and may not authorize the F/A~~1~~8E/F aircraft program to enter into full-rate production, until—
(1) the Secretary of Defense submits to the congressional defense committees a certification described in subsection (c); and(2) a period of 30 continuous days of a Congress (as deter-mined under subsection (d)) elapses after the submission of that certification.
(c) REQUIRED CERTIFICATION.~~A~~ certification referred to in subsection (b)(1) is a certification by the Secretary of Defense of each of the following:
(1) That the results of the Operational Test and Evaluation program for the F/A~~1~~8E/F aircraft indicate—
(A) that the aircraft is operationally effective and operationally suitable; and
(B) that the F/A~~1~~8E and the F/A~~1~~8F variants of that aircraft both meet their respective key performance parameters as established in the Operational Requirements
Document (ORD) for the F/A~~1~~8E/F program, as validated and approved by the Chief of Naval Operations on April 1, 1997 (other than for a permissible deviation of not more
than 1 percent with respect to the range performance parameter).
(2) That the cost of procurement of the F/A~~1~~8E/F aircraft using a multiyear procurement contract as authorized by sub-section

(a), assuming procurement of 222 aircraft, is at least 7.4 percent less than the cost of procurement of the same number of aircraft through annual contracts.
(d) CONTINUITY OF CONGRESS.~~F~~or purposes of subsection
(b)(2)—
(1) the continuity of a Congress is broken only by an adjournment of the Congress sine die at the end of the final session of the Congress; and
(2) any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain, or because of an adjournment sine die at the end of the first session of a Congress, shall be excluded in the computation of such 30-day period.

Page 526 and 527, Aircraft Procurement, Navy

F/A~~1~~8 aircraft modifications.
The budget request included $308.8 million for modifications for the F/A~~1~~8 series of aircraft.
The Senate bill would authorize an increase of $130.4 million, as follows:
(1) an increase of $63.0 million for engineering change proposal 583 (ECP~~5~~83) kits;
(2) an increase of $38.0 million for replacement of APG~~6~~5 radars with APG~~7~~3; and
(3) an increase of $29.4 million for incorporation of the multifunctional information distributions system (MIDS).
The House amendment would authorize an increase of $63.0 million for incorporation of additional ECP~~5~~83 kits.
The conferees agree to authorize an increase of $11.0 million for modifications to the F/A~~1~~8 aircraft, as follows:
(1) an increase of $38.0 million for replacement of APG~~6~~5 radars with APG~~7~~3; and
(2) a decrease of $27.0 million due to the premature procurement of an advanced targeting forward-looking infrared system.
The conferees understand the Navy is planning to conduct the competitive MIDS procurement as a multiple source award to two or more contractors, with the intent of promoting competition and obtaining best value; and that this procurement will commence within the first six months of calendar year 2000. The conferees support a competitive procurement decision by the Navy and would commend the Secretary of the Navy for taking this action.

Page 595, Legislative Provisions Adopted

Subtitle C~~N~~avy Programs

F/A~~1~~8E/F Super Hornet aircraft program (sec. 121)
The Senate bill contained a provision (sec. 125) that would authorize the Secretary of the Navy to enter into a multiyear procurement contract for the F/A~~1~~8E/F aircraft.
The House amendment contained a similar provision (sec. 121).
The Senate recedes with a clarifying amendment.

HAC LANGUAGE (Rpt. 106-244)

Page 142, Aircraft Procurement, Navy

Refurbish test aircraft to operational configuration	.....	.....	+20,000
F–18 Series	308,789	281,789	–27,000
ATFLIR premature award	.....	.....	–27,000
AH–1W Series	13,726	16,726	+3,000

Page *148*, Aircraft Procurement, Navy

AV-8B (V/STOL)HARRIER (AP-CY).....	--	30,832	--	30,832	--	---
F/A-18E/F (FIGHTER) HORNET.....	36	2,691,989	36	2,691,989	--	---
F/A-18E/F (FIGHTER) HORNET (AP-CY).....	--	162,240	--	162,240	--	---
V-22 (MEDIUM LIFT).....	10	796,392	11	856,392	+1	+60,000
S-14 SERIES.....	--	83,352	--	83,352	--	---
S-18 SERIES.....	--	308,789	--	281,789	--	-27,000
E-46 SERIES.....	--	17,888	--	17,888	--	---

Page 226, RDT&E, Navy

fabrication facility at SPAWAR Systems Center	.....	.....	+14,500
F/A–18 Squadrons	315,714	373,214	+57,500
LAU–138A/A BOL chaff countermeasures	.....	.....	+2,500
EA–6B follow-on support jammer, F/A–18E/F variant	.....	.....	+40,000
Radar ECCM improvements	.....	.....	+15,000

Page 19, Potential Alternatives

JSF has robust air-to-air capabilities and will be available in fiscal year 2007.—The Joint Strike Fighter (JSF), in development to produce a lower cost, yet highly capable replacement for Navy F/A–18's, Marine Corps F/A–18's and AV–8B's, and Air Force

is scheduled to begin production deliveries in 2007. This program will be badly needed in this timeframe to begin replacing these aircraft types, which comprise the vast majority of the U.S. tactical fighter force, as their age and usage rates make a replacement in this timeframe essential, While incorporating advanced technology similar to that being developed for the F–22, the much higher inventory objective (over 2,800 aircraft) plus the lack of any other alternatives at present to deal with the block obsolescence issue make the JSF, in the Committee's view, one of the DoD's highest acquisition priorities. Like the
F–22, the Joint Strike Fighter combines stealth and advanced avionics to provide a robust air-to-air capability. Unlike the F–22, the JSF is being designed to be an affordable joint aircraft with far superior air-to-ground capabilities.

Page 24, Modernization Programs

Major Weapon Programs.—The Committee recommends fully funding the budget request for the Army's Crusader next generation artillery system, the Navy's AV–8B and F/A–18 E/F aircraft, the carrier replacement program, and DDG–51 and LPD–17 ships. The Committee has also funded the number of C–17 aircraft re-quested by the Air Force.
The Committee has added funds over the budget request to procure additional aircraft such as UH–60 Blackhawk helicopters for the Army, JPATS trainer aircraft for the Navy and Air Force, V–22 and KC–130Js for the Marine Corps, and F–15, F–16 and JSTARS aircraft for the Air Force. The Committee has also added funds over the request for Apache modifications, Bradley fighting vehicle industrial base sustainment, KC–135 tanker re-engining, continued upgrades to the B–2 bomber fleet and additional AMRAAM missiles.

Page 28, Procurement

PROCUREMENT
The Committee recommends $53,031,397,000 in obligational authority for programs funded in Title III of the bill, Procurement, a net increase of $1,179,859,000 over the fiscal year 2000 budget request.

Major programs funded in the bill include the following:
$207,140,000 for 19 UH–60 Blackhawk helicopters.
$774,536,000 for Apache Longbow modifications.

$296,472,000 for 2200 Hellfire missiles.
$307,677,000 for 2682 Javelin anti-tank missiles.
$138,134,000 for 47 MLRS launcher systems.
$392,762,000 for Bradley fighting vehicle industrial base sustainment.
$422,996,000 for the Abrams Tank upgrade program.
$260,444,000 for 12 AV–8B strike aircraft.
$2,691,989,000 for 36 F/A–18E/F fighter aircraft.
$856,392,000 for 11 V–22 aircraft.
$284,493,000 for 17 CH–60S helicopters.
$325,476,000 for 15 T–45 Trainer aircraft.
$576,257,000 for 8 KC–130J airlift aircraft.
$361,202,000 for P–3 aircraft modifications.
$437,488,000 for 12 Trident II ballistic missiles.
$155,267,000 for 91 Standard missiles.
$751,540,000 for the aircraft carrier replacement program.
$748,497,000 for the New Attack Submarine.
$2,681,653,000 for 3 DDG–51 Destroyers.
$1,508,338,000 for 2 LPD–17 ships.
$439,966,000 for 1 ADC(X) ship.
$440,000,000 for 8 F–15 aircraft.
$350,610,000 for 15 F–16 aircraft.
$2,671,047,000 for 15 C–17 aircraft.
$468,465,000 for 2 JSTARS aircraft.
$321,818,000 for F–15 modifications.
$295,536,000 for F–16 modifications.
$552,988,000 for C–135 modifications.
$190,279,000 for AMRAAM missiles.
$300,898,000 for 32 Patriot PAC–3 missiles.
$2,044,331,000 for ammunition for all services.

Page 144 and 145, Aircraft Procurement, Navy

E/A–6B AIRCRAFT

With the retirement of the Air Force EF–111 aircraft, the EA–6B has become the Defense Department's primary escort jammer aircraft to support combat strike missions. The crews and aircraft of Navy and Marine EA–6B squadrons performed admirably during Operation Allied Force. However, due to the Department's overall lack of jamming aircraft, the forces were stretched, air crews were stressed, and the logistics support tail was strained. This operation also made it clear that even advanced stealth aircraft benefit from escort jamming from the EA–6B, counter to assumptions made when the EF–111s were retired. The Committee views recent EA–6B operations be it in Operation Allied Force, or in the ongoing sanctions enforcement operations around Iraq, as a premier example of the actual and potential future benefits of joint service combat operations. The Committee believes this clearly indicates that more, not less, tactical escort jamming support, will be needed in the future. Yet the EA–6B airframe has limited life remaining and its limited numbers have al-ready posed severe challenges to operational planners. Therefore, the Committee bill recommends an additional $227,000,000 to reinvigorate the tactical jamming aircraft force.

The fiscal year 1999 Supplemental Appropriations Act financing the cost of Operation Allied Force provided $300,000,000 for a operational rapid response fund. The Defense Department has indicated that a number of EA–6B near-term upgrades will be financed from the supplemental funds, to include: $45,000,000 for band 9/10 jammers, $39,000,000 for universal exciters, and $30,400,000 for miniaturized automated tactical terminals/integrated data modems.

Although these items provide important and quick warfighting improvements to the EA–6B fleet (a use for the fund consistent with its creation by this Committee), they do not address the mid and long term fleet force structure and modernization issues. Therefore, the Committee recommends an additional $111,000,000 in Aircraft Procurement, Navy for EA–6B enhancements. This includes $60,000,000 for the procurement of high-fidelity simulators for EA–6B bases at Cherry Point, North Carolina and Whidbey Island, Washington; $31,000,000 to procure and install EA–6B night vision equipment; and $20,000,000 to remanufacture a test aircraft into an operational asset. The rationale for these additions as follows. After the budget was submitted, the Navy informed the Committee that competitively procuring high fidelity simulators for east and west coast EA–6B bases was feasible and would result in reduced need for aircraft flight training hours, more airframes for forward deployment, and reduced airframe wear. Outfitting the EA–6Bs with night vision devices increases operational effectiveness while reducing crew risk to

enemy optically guided surface-to-air missiles. Finally, refurbishment of an EA–6B test asset will result in one additional combat aircraft deployed to the fleet.
The EA–6B force structure, already heavily tasked to meet current commitments, will decline over time due to aircraft wear and attrition and cannot be augmented with new production aircraft on a cost-effective basis. Moreover, in about ten years, the EA–6B fleet size and capabilities will begin a steady decline as older aircraft reach the age of retirement. The Defense Department currently has no plan to meet these eventualities, and therefore, the Committee believes it would be prudent to begin planning now to ensure that no EA–6B force degradation occurs. Elsewhere in this report, the Committee recommends an additional $116,000,000 in the Re-search, Development, Test and Evaluation, Navy account for tactical jamming aircraft enhancements. This includes $60,000,000 to
provide the EA–6B with Link 16 connectivity; $16,000,000 to initiate an analysis of alternatives for a follow-on jammer aircraft; and $40,000,000 to immediately begin risk reduction and concept development for a F/A–18E/F variant to become the follow-on tactical jamming aircraft. The Committee urges the Defense Department to expand the tactical jammer aircraft fleet, in particular to capitalize upon the operational need and advantages which accrue from combining jamming with stealth aircraft, by introducing a tactical jamming variant of the F/A–18E/F aircraft by the year 2006.

Page 146, Aircraft Procurement, Navy

ADVANCED TACTICAL AIRBORNE RECONNAISSANCE SYSTEM (ATARS)
The Committee remains concerned about the lack of progress that has been made in fielding new technologies to meet Marine Corps tactical reconnaissance requirements. The F/A–18 ATARS program has been hindered with a troubled past and despite its recent deployment to meet emergency requirements in the Balkans region, is limited by technology developed in the mid-1980's. Following an investment of almost $1,000,000,000 and 15-years of development effort, the ATARS program remains plagued with annoying maintenance issues, has yet to complete a successful Operational Evaluation (OPEVAL), and has not been certified for full rate production.
Therefore, the Committee directs that prior to the obligation of any fiscal year 2000 appropriations, the Marine Corps must complete a ''by the book'' OPEVAL of the full-up ATARS system. If the ongoing operational assessment tests and the OPEVAL indicate that the system does not meet the stated requirements, the Committee requires that it be immediately notified of the shortfalls and the Marine Corps plan for the future of ATARS.
The Committee notes that in fiscal year 1999, the Navy's budget justification material indicated that it intended to use 1999 funds to finance the ATARS OPEVAL and initiation of Full Rate Production. Congress agreed and this became the ''Congressionally

program. The Committee understands that the Navy now desires to not use 1999 appropriations to initiate Full Rate Production, but intends to waive acquisition regulations and move to a Low Rate Initial Production (LRIP) III decision prior to completion of the OPEVAL. With the execution of the LRIP III, the Navy will have committed, through the LRIP process, to procure half of the ATARS inventory objective. The Committee requests that prior to making such a decision, the Secretary of the Navy submit to the Committee a revised acquisition plan for ATARS. Additionally, the Secretary of the Navy should submit a letter to the Committee that addresses the Navy's desire to alter the fiscal year 1999 Congressionally approved program and request approval to use appropriated funds for a similar, although alternative, purpose.
Additionally, the Committee directs that the Marine Corps complete and submit to the Committee by November 1, 1999, a report that addresses its future plans for meeting reconnaissance requirements. This ''road map'' of tactical reconnaissance must address the Marine Corps plan to acquire the Navy's Shared Reconnaissance Pod (SHARP) system when it successfully completes evaluation and testing and becomes available for procurement.

Page 191, National Guard and Reserve Equipment

COMMITTEE RECOMMENDATIONS

In all accounts throughout the bill, the Committee recommends a total of $2,485,300,000 for procurement of National Guard and Reserve equipment, a net increase of $796,400,000 above the budget request.

The Committee believes that the Chiefs of the Reserve and National Guard components should exercise control of modernization funds provided in Procurement, National Guard and Reserve Equipment account, and directs that they provide a separate submission of a detailed assessment of their modernization requirements and priorities to the congressional defense committees. The Committee expects the component commanders to give priority consideration for funding in this appropriation of the following items:

CH–47 helicopters, AN/PEQ–2A TPIALs and AN/PAQ–4C infrared aiming lights, master crane aircraft component hoisting systems, aluminum mesh gas tank liners for C–130 aircraft and Army ground vehicles, A/B FIST 21 training systems, CH–60S combat search and rescue kits, super scooper aircraft, modular airborne fire fighting systems, F–16 ALR–56M radar warning receivers, deployable rapid assembly shelters, C–40A aircraft, C–22 replacement aircraft, secure communications and data systems, CH–60 helicopters, M270A1 long-range surveillance launchers, M106A Paladin self-propelled howitzer/M1992A2 FAASV ammunition carrier, AN/AVR–2A(V) laser detecting sets, ALQ–184(V)9 electronic countermeasure pods, extended cold weather clothing systems, HEMTT

trucks, multi-role bridge companies, medium tactical wreckers, rough terrain container cranes, CH–47 cargo compartment expanded range fuel systems, C–38A aircraft, C–17 communications suite upgrades, mobile radar approach control, internal crash-worthy fuel cells, DFIRST, F/A–18 series mods, UH–60 Q kits, MLRS launchers, meterological measuring systems, improved target simulators, and C–17 maintenance training systems.

Page 229, RDT&E, Navy

SHARED RECONNAISSANCE POD (SHARP)

The Committee is pleased with the commitment the Secretary of the Navy and the Chief of Naval Operations have made in the development of the SHARP system. The Committee notes that in a June 1, 1999 report to Congress, the Secretary of the Navy determined that the SHARP program is the ''most effective reconnaissance system for the F/A–18, the scheduled replacement for F–

Given these results, it is difficult to understand why the Marine Corps has not aggressively pursued this technology in conjunction with the Navy. The Committee requests that the Secretary of the Navy review the Marine Corps proposals for its roadmap to meet future tactical reconnaissance requirements to ensure that this plan includes a transition to SHARP when the system becomes available for acquisition.

The rapid prototyping development and acquisition strategy for SHARP is unique in that the Navy seeks to use off the shelf sensor technology and integrate this technology into a pod that can be used on the F/A–18. The Committee believes that significant progress has been made in the commercial sector to develop electro-optic sensor, radar, and pod technologies that can meet most of SHARP's operational needs immediately. However, several challenges exist, both technically and philosophically, to getting this

Technical challenges include development of a suitable pod and the integration of the sensors, radar, and the ground station data link with the aircraft. The Committee is confident that the Navy will overcome these challenges. The philosophical challenge includes a new development and acquisition strategy that requires the Service to adopt a rapid prototyping process with ''off-the-shelf'' technology. The Committee believes a flexible and dynamic development and acquisition approach is necessary to quickly and effectively

field SHARP.

The Committee has included $9,000,000 for the SHARP program only to pursue the acquisition and testing of a small, lightweight synthetic aperture radar for inclusion into SHARP. Significant work has already been conducted on such a system that is being leveraged by the Navy on other platforms. The Navy should not use these funds to pursue a new developmental effort for this SAR, but should test what is available today. This is a congressional interest item. These funds shall not be used for other program requirements without prior approval.

The Committee is aware that there could be future funding shortfalls in the SHARP program based on additional requirements and technology enhancements. The Committee directs the Secretary of the Navy to ensure that any and all SHARP program requirements are fully funded in future budget requests.

Finally, the Committee is concerned that technical challenges in the development of a suitable pod could potentially delay fielding of SHARP. The Navy should aggressively pursue the most innovative and competitive SHARP pod design and development. It appears the current acquisition approach does not allow for participation by small innovative companies.

SAC LANGUAGE (Rpt. 106-53)

Page 61, Aircraft Procurement, Navy

F/A–18E/F (FIGHTER) HORNET	36	2,691,989	36	2,681,989	.....	−10,000
F/A–18E/F (FIGHTER) HORNET (AP–CY)	.....	162,240	.....	176,240	.....	+14,000

Page 62, Aircraft Procurement, Navy

Item	2000 budget estimate	Committee recommendation	Change from budget estimate
F/A–18E/F (FIGHTER) HORNET	2,691,989	2,681,989	−10,000
Late award of ATARS prior year funds	.....	−10,000	−10,000
F/A–18E/F (FIGHTER) HORNET ADVANCE PROCUREMENT	162,240	176,240	+14,000
Advance Procurement for Six (6) Additional Fiscal Year 2001 Aircraft	.....	14,000	+14,000

Page 104, RDT&E, Navy

Small Unit Biological Detector (SUBD)	.....	4,000	+4,000
F/A–18 SQUADRONS	315,714	320,714	+5,000
Joint Helmet Mounted Cueing System	.....	5,000	+5,000
CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	26,257	33,757	+7,500

Page 107, RDT&E, Navy

SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	3,193	3,193	.....
F/A–18 SQUADRONS	315,714	320,714	+5,000
F–2 SQUADRONS	16,132	16,132	

Page 91 and 92, Title III, Procurement - Other items of interest

The Committee agrees that the National Guard and Reserve equipment program shall be executed by the heads of the Guard and Reserve components with priority consideration for miscellaneous equipment appropriations given to the following items: A–2 ODS, ALR–56 radar warning receiver, multiple launch rocket system [MLRS], field artillery ammunition support vehicles [FAASVS], KC–135 re-engining, night vision devices and goggles, Paladin, onboard oxygen generating system field evaluation for the Air National Guard, LITENING II targeting pod system, Bradley A20D, F–16 midlife upgrade, KC–135 re-enginining, SINCGARS radios, Paladin, UH–1 modernization, P–3 modernization, F/A–18 Avionics upgrade, UH–60 upgrades, C–130E, Modular Airborne Firefighting Systems (MAFFS), C–130H2/H3 ATS-Eng changes, C– 130 Carryon SADL, Night Vision devices, Night Vision Goggles, F– 16 Color display, F–16 SADL ‘‘D’’, B–1 Weapons Modules, Aircraft Lighting System, Logistics Service Support, JANUS, M915A4 Upgrade Kit, Rough Terrain Container Handler, F/A–18A

Engineering Mods, E–2C SATCOM, ALR–67 Radar Warning Receiver, KC–130T Avionics Modernization, P–3C Update III BMUP Kits, Bradley Fighting Vehicles upgrades, F–15 modernization, C–130J support, MT ANG–RACTS Pods Rangeless Training System, F/A–18 modernization, HMMWV Striker Vehicles, tactical construction equipment, Eagle Vision antennas, Advanced Surgical Suite For Trauma Casualties (ASSTC), Deployable Rapid Assembly Shelters, Mobile Radar Approach Control (RAPCON), CH–60 upgrades, Modern burning unit, AN/TMQ41 Meterological measuring system, Vehicle Intercom System (VIS), C–22 replacement, Air defense brigade automated command and control equipment, Avenger Table Top Trainers (ATTT), ground bases sensors for Avenger battalions, support equipment for Patriot missile air defense battalions and Sandbagger.

CAC LANGUAGE (Rpt. 106-371)

Page 21-22, Title VIII, General Provisions

SEC. 8008. None of the funds provided in this Act shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any
1 year of the contract or that includes an unfunded contingent liability in excess of $20,000,000; or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any 1 year, unless the congressional defense committees have been notified at least 30 days in advance of the proposed contract award: Provided, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity ad-vance procurement is not funded at least to the limits of the Government's liability: Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.
Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:
Longbow Apache Helicopter; Javelin missile; Abrams M1A2 Upgrade; F/A–18E/F aircraft; C–

Page 177, Aircraft Procurement, Navy

F/A-18E/F (FIGHTER) HORNET	2,691,989	2,691,989	2,681,989	36	2 691,989
F/A-18E/F (FIGHTER) HORNET (AP-CY)	162,240	162,240	176,240	--	162,240

Page 178, Aircraft Procurement, Navy

F–18 SERIES	308,789	281,789	300,589	311,789
F–18A AN/APG–73 RUG avionics upgrade for ECP 583		0	23,600	23,600
F–18C AN/APG–73 RUG avionics upgrade		0	15,200	15,200
Allowance for correction of deficiencies		0	−20,000	−10,000
ATFLIR premature award		−27,000	−27,000	−27,000
Joint helmet mounted cueing system		0	0	2,000

Page 203, National Guard and Reserve Equipment

MISCELLANEOUS EQUIPMENT

The conferees agree that each of the Chiefs of the Reserve and National Guard components should exercise control of modernization funds provided in this account including aircraft and aircraft modernization. The conferees further agree that separate submissions of a detailed assessment of its modernization priorities by the component commanders is required to be submitted to the defense committees. The conferees expect the component commanders to give priority consideration to the following items: Modular airborne fire fighting systems, F–16 ALR–56M radar warning receivers, ALR–56 radar warning receivers, Deployable rapid assembly shelters, FAASV ammunition carriers, Mobile radar approach control (RAPCON), F/A–18 modernization including avionics and engineering upgrades, Bradley AO–A2ODS, KC–135 reengining, Paladin, P–3 modernization including P–3C Update III BMUP Kits, Night vision devices and goggles, CH–47 helicopters, AN/PEQ–2A
TPIALs, AN/PAQ–4C Infrared aiming lights, Master crane aircraft component hoisting systems, Aluminum mesh gas tank liners for C–130 aircraft and Army ground vehicles, A/B FIST 21 training systems, CH–60S combat search and rescue kits, Super scooper air-craft, C–40A aircraft, C–22 replacement aircraft, Secure communications and data systems, CH–60 helicopters, M270A1 long-range surveillance launchers, AN/AVR–2A(V) laser detecting sets, ALQ– 84(V)9 electronic countermeasure pods, Extended cold weather clothing systems, HEMTT trucks, Multi-role bridge companies, Medium tactical wreckers, Rough terrain container cranes, CH–47 cargo compartment expanded range fuel systems, C–38A aircraft, C–17 communication suite upgrades, Internal crashworthy fuel cells, DFIRST, UH–60Q kits, MLRS launchers, Meteorological measuring systems, Improved target simulators, C–17 Maintenance training systems, Multiple launch rocket systems, Onboard oxygen generating systems field evaluation, LITENING II targeting pod systems,
F–16 mid-life upgrade, SINCGARS radios, UH–1 modernization, UH–60 upgrades, C–130E, C–130 H2/H3 ATS-Eng. changes, C–130 Carry-on SADL, F–16 color display, F–16 SADL
''D'', B–1 weapons modules, Aircraft lighting systems, Logistics service support, JANUS, M915A4 Upgrade kits, Rough terrain container handlers, E–2C SATCOM, ALR–67 radar warning receivers, KC–130T avionics modernization, Bradley fighting vehicle up-grades,
F–15 modernization, C–130J support, MT ANG–RACTS pods rangeless training systems, HMMWV striker vehicles, Tactical construction equipment, Eagle vision antennas, Advanced surgical suite for trauma casualties, Modern burning units, AN/TMQ41 me-teorological measuring systems, Vehicle intercom systems, Air defense brigade automated command and control equipment, Avenger table top trainers (ATTT), Ground bases sensors for Avenger battalions, Support equipment for Patriot missile air defense battalions and Sandbagger.

Page 218, RDT&E, Navy

(In thousands of dollars)

	Budget	House	Senate	Conference
F/A-18 SQUADRONS	315,714	373,214	320,714	322,714
E-2 SQUADRONS	16,132	55,132	16,132	36,532
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	147,223	142,223	147,223	142,223

Page 223, RDT&E, Navy

Center		14,000	0	14,000
F/A–18 SQUADRONS	315,714	373,214	320,714	322,714
LAU–138A/A BOL chaff countermeasures		2,500	0	2,000
Joint helmet mounted cueing system		0	5,000	0
EA–6B follow-on support jammer, F/A–18E/F variant		40,000	0	0
Radar ECCM improvements		15,000	0	5,000

Page 224, RDT&E, Navy

MANNED RECONNAISSANCE SYSTEMS	30,958	39,958	30,958	39,958
SHARP	.....	9,000	0	9,000
Note: Funds are only for the auquisition and testing of a lightweight SAR and for other related program requirements such as software integration for the F/A–18C/D.				